



Cannabis Business Permit (CBP) Minor Modification

Submittal Guide and Application Form

Materials included in this CBP Minor Modification submittal guide and application packet:

- Step-by-step CBP Minor Modification application submittal guide and instructions
- Checklist of required CBP Minor Modification application submittal documents and material
- CBP Minor Modification Application Form
- CBP Supplemental Background Check Application Form

STEP 1: When a Minor Modification is Required

A minor modification shall be processed when the following revisions to an approved CBP are proposed:

1. Change in ownership that affects an interest of less than 51%. (A change in ownership greater than or equal to 51%, or an incremental change in ownership that will result in a change of 51% or more over a three year period, shall require submittal of a new CBP application.)
2. The addition of a delivery component to an existing Measure X business operation.
3. Any other modifications deemed to be a minor modification to the approved Conditional Use Permit.

Other modifications shall require approval of a Major Modification. Discuss your proposal with city staff to determine if your proposal can be processed as a Minor or Major Modification. Contact staff at cannabis@costamesaca.gov or 714.765.4902.

STEP 2: Sequence of Applications

1. Change in Ownership: This shall not require a concurrent modification to the approved CUP. The applicant need only obtain approval of a minor modification to the CBP.
2. Some changes trigger the obligation to modify the approved CUP. These changes include modifications to conditions of approval; increasing the square footage of the licensed premises; the addition of a new type of license, other than the addition of a non-storefront license to an existing business; or changes to specific

considerations imposed by the Planning Commission or City Council. When a modification to the CUP is required, the applicant shall submit the application to modify the CUP first. The application to modify the CBP may be submitted as early as the date a decision date is set for the Minor CUP, or the CUP has been set for hearing before the CUP. The application to modify the CBP **MUST** be submitted before any construction may commence, or before any changes authorized by the CUP modification may be implemented.

3. The minor modification to the CBP cannot be approved until all required improvements to the facility have been approved by the Building and Fire Departments, and all individuals have passed the required background checks.
4. Following issuance of the minor modification to the CBP, the applicant shall obtain a revised Business License, if applicable (e.g., the addition of a new license type to an existing operation).

STEP 3: Complete the CBP Minor Modification Application Form

CBP Minor Modification Application Form. A copy of the CBP Minor Modification application form is provided in this submittal guide. Refer to the end of the submittal guide for the CBP application form.

The CBP Minor Modification application form must be completely filled out and signed by the applicant and the property owner. The signatures must be notarized. (Please note that notary services are not available at City Hall.)

The application submittal requires a variety of documents as described in the section below. All of these documents **must be submitted** with the CBP Minor Modification application form or the application submittal will be rejected.

STEP 3: CBP Minor Modification Application Submittal

Please note that your CBP Minor Modification application **MUST** include all of the required documents, forms and information. The City will **NOT** accept incomplete applications for processing.

Required Documents and Materials.

1. For change in ownership, submit the following documents:
 - a. Legal documents outlining the business structure, including Articles of incorporation, Articles of Organization, Certificate of Limited Partnership, or Statement of Partnership Authority.

- b. A list of all individual owners in the business entity along with each person's address, phone number and email address. Include breakdown of ownership percentages by individual.
 - c. Fictitious Business Statement filed with County of Orange, if applicable.
 - d. Information required to conduct a background check for each new owner:
 - i. Copy of driver's license, state-issued ID card or U.S. Passport
 - ii. Proof of address, if address is different than stated on ID
 - iii. Copy of social security card
 - iv. Recent digital passport photo
2. For changes to the facility or operations that trigger a minor modification to the CUP, submit a letter describing the proposed modification. The revised floor plans, Security Plan, Business Plan and/or other documents approved as part of the modification to the CUP will be incorporated into the modification to the CBP following approval of the modification to the CUP.
3. If the modification will result in the addition of staff, submit a proposed employee roster and information to commence the required live scan background check for each employee:
- i. Copy of driver's license, state-issued ID card or U.S. Passport
 - ii. Proof of address, if address is different than stated on ID
 - iii. Copy of social security card
 - iv. Recent digital passport photo

CBP Minor Modification Application Fees. Payment for CBP Minor Modification application fees must be made by a certified check, cashier's check, or money order made payable to the City of Costa Mesa. The schedule of fees is as follows:

- Minor Modification to Approved CBP: \$ 1300.00
- Supplemental Background Check Fee*: \$ 300.00

*Cost per new individual owner. This does not include fees for Live Scan that will be collected at the time of processing by the Costa Mesa Police Department or other Live Scan provider.

File Organization. The CBP Minor Modification application submittal must be organized into files exactly in the following order:

- File Number 1: Cannabis Business Permit Minor Modification Application
 - Application Form
 - Letter describing proposed modification
- File Number 2: Background Check Information for Each New Owner, if applicable
 - Copy of Social Security Card
 - Copy of DMV-Issued Driver's License/Identification Card or Passport
 - Digital passport photo
 - Third-party background check information
- File Number 3: Background Check information for each New Employee, if applicable
 - Copy of Social Security Card
 - Copy of DMV-Issued Driver's License/Identification Card or Passport
 - Digital passport photo

Application Submittal: All cannabis applications **will only be accepted online** through the [City's cannabis application submission portal](#). Applications **will NOT** be accepted in-person at City Hall or via regular or electronic mail.

If your application is deemed complete for processing, staff will arrange a date and time to collect the fees. Fees must be paid within three business days.

If your application is NOT deemed complete for processing, staff will provide a written list of the information that needs to be provided.

Project Case Number. Once your CBP Minor Modification application is deemed acceptable for processing and the City has received your application payment in full, a project case number will be assigned to your application.

STEP 4: Background Check for New Owners, if Applicable

Once the CBP Minor Modification application has been accepted by the City for review, Community Improvement Division (CID) staff will provide background check paperwork for the owners and corporate officers listed on the CBP Minor Modification application.

Background Check Forms. The background check paperwork will contain two forms:

1. Cannabis Business Permit Supplemental Background Check Application

This form must be completed and signed by each individual listed on the CBP application. Submit the completed form to CID via USPS Mail, in person, or via email at cannabis@costamesaca.gov.

2. Live Scan Form

This form is used to run a Live Scan background check. The Live Scan may be provided by any operator offering the State Department of Justice and FBI background checks. The Costa Mesa Police Department also provides Live Scan services by appointment only. Call (714) 754-5033 to schedule an appointment.

A copy of the completed Live Scan form returned by the operator must be submitted to CID via USPS Mail (enclosed in an envelope with the business address and City permit number on the outside), in person, or via email to cannabis@costamesaca.gov (include the business address and permit number in the subject line).

Failure to return the completed Live Scan Forms will prevent the City from obtaining the Live Scan results, which will delay action on your modification.

STEP 5: CBP Minor Modification Application Review

CID Staff will review the CBP application submittal. Be aware that the City may require additional information or revisions during this review.

STEP 8: Building Permits, if Applicable

Plan Check Application Submittal. Tenant improvements, landscape improvements, and other building modifications require issuance of building permits prior to commencing any construction or improvement. The applicant is responsible to obtain all required permits from the Building Division and Fire Department as applicable. Information about the plan check submittal and building inspection process may be found on the Building Division's webpage:

<https://www.costamesaca.gov/city-hall/city-departments/development-services/building-safety>

The CBP will not be issued until the Building Division has granted final approval for all construction.

STEP 8: Issuance of the Minor Modification to the Cannabis Business Permit

CBP Issuance. The CBP **cannot be issued** until all of the following steps have been completed:

- The CUP has been approved and all conditions of approval have been satisfied;
- All required building and fire permits have been finalized and a Certificate of Occupancy has been issued, if applicable (Temporary Certificate of Occupancy is **NOT** allowed);

- Proof of Insurance has been provided pursuant to Section 9-945 of the Costa Mesa Municipal Code; and
- A successful site inspection has been conducted by the Fire Department, Planning Division, CID, and other applicable City departments. A successful site inspection means all City departments have confirmed compliance with all approved plans and applicable documents.

If any discrepancies with approved plans and documents are observed during site inspection, the Applicant must correct them and compliance shall be determined with another site inspection.

Display CBP. Once the CBP is issued, it must be displayed at the cannabis business at all times.

Identification Badges. The City will issue identification (ID) badges for all owners, officers, employees, and volunteers. Each person must sign for his or her badge at City Hall. ID badge pick-up is by appointment only. Call (714) 754-4902 to schedule an appointment.

The badge-holder when at the place of business must wear their issued ID badges at all times. In the event of the termination of an employee, the terminated employee's ID badge must be returned to the City of Costa Mesa. New employees may not start working at the business until they have successfully passed a background check, and the City has issued the new employee an ID badge.

STEP 9: Obtain a City Business License, if Applicable

The minor modification may trigger the need to revise your Business License. This City Business License is separate from the CBP but is also required for all cannabis businesses operating in Costa Mesa in addition to the CBP.

To apply for a City Business License, follow the instructions on the City's webpage: <https://businesslicense.costamesaca.gov/>

QUESTIONS?

Email us at cannabis@costamesaca.gov or call the City's cannabis hotline at (714) 754-4902.



CANNABIS BUSINESS PERMIT (CBP) MINOR MODIFICATION APPLICATION

All items described in the submittal instructions must be provided or this application will not be accepted for processing by the City

SECTION 1 – CANNABIS BUSINESS INFORMATION

Legal Business Name and DBA: _____

Property Address: _____

Business Phone: _____

Current Cannabis Business Permit No.: _____

Conditional Use Permit No.: _____

Authorized Agent Contact Information:

Name: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Phone: _____ Email: _____

SECTION 2 – PROPOSED MODIFICATION

_____ Change in Ownership of less than 51%

_____ Addition of Non-Retail Storefront License to existing Cannabis Business

_____ Other modifications to Operations, Facility, and/or approved Business and Security Plans

SECTION 3 – AFFIRMATION AND SIGNATURES

Please read carefully:

I understand that as defined by Title 1, section 1-35(I), of the Costa Mesa Municipal Code (CMMC). I am deemed the responsible party for any violation(s) of the CMMC that may arise at the proposed facility location.

I certify that the business is currently operating in compliance with all provisions of the CMMC, the Cannabis Business Permit, and the Conditional Use Permit (CUP) for the subject location.

I understand and acknowledge that the operation of this Cannabis Facility must adhere to all the requirements of Title 9, Chapter VI of the CMMC and all other applicable state and local laws and all regulations promulgated thereunder and affirm that this business will be operated in compliance with applicable state and local law and all regulations promulgated thereunder. I understand and acknowledge that any permit issued based on false or misleading statements provided in this application will be deemed invalid and subject to revocation.

I declare under PENALTY OF PERJURY under the laws of the State of California that the foregoing statements are true and correct.

Applicant

Print Name: _____

Signature: _____ Date: _____

Property Owner

Print Name: _____

Signature: _____ Date: _____

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

[illegible]

On _____, before me, _____,
Notary Public, personally appeared _____, who proved
to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed
the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on
the instrument the person(s), or the entity upon behalf of which the person(s) acted,
executed the instrument.

I certify under PENALTY OF PERJURY under law of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

MY COMMISSION EXPIRES: _____

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

On _____, before me, _____,
Notary Public, personally appeared _____, who proved
to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed
the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on
the instrument the person(s), or the entity upon behalf of which the person(s) acted,
executed the instrument.

I certify under PENALTY OF PERJURY under law of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

MY COMMISSION EXPIRES: _____